

WESTERN DAKOTA ENERGY ASSOCIATION

February 18, 2021

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Chairman Kreun and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), we wish to express the urgent need for Senate Bill 2313.

To put it bluntly, energy policy in America is a mess, particularly as it pertains to the electric markets, and again putting it bluntly, it will only get worse under the Biden administration. One would have hoped that the rolling blackouts this past week would be a ringing wake-up call to energy policy makers. But predictably, even though the evidence clearly indicates that over-dependence on so-called renewable resources was the culprit, the White House press secretary yesterday blamed a few coal and natural gas plant outages in Texas. And even worse, rather than pointing the finger at poor energy policy and poor planning where it rightly belongs, we witnessed elements of the mainstream media blaming "climate change" for the blackouts.

Policy makers at the federal level will try to deflect from this very real and serious problem to continue pursuit of their climate agenda. But every North Dakotan should understand this a problem we cannot afford to ignore. WDEA has heard in previous testimony this session that MISO and the Southwest Power Pool have evaluated the problem with the region's growing penetration of intermittent generation. The grid operators know there are limits to renewable integration, and they will also tell you we need baseload generation to back up the intermittent generation. Therein lies the problem. As more and more wind generation is brought onto the grid, electrons from those wind farms displace electrons that would otherwise be generated by North Dakota's coal fleet. And that takes money out of the pocket of the utilities that operate the plants. So what are federal policy makers, MISO and SPP doing about compensating coal plants for reliability? Next to nothing.

The Utility Working Group – our state's cooperative and investor-owned utilities – will tell you they did not ask for this bill, and they are here to either oppose this bill or water it down to an interim study. But those same utilities have testified on other bills aimed at ensuring grid reliability in North Dakota, and told us the ISOs have it under control and we have nothing to be concerned about. But this week we saw rolling blackouts in Bismarck and elsewhere in North Dakota. Capitol Electric customers experienced an outage Tuesday morning when the temperature was 12 below zero. If that's not a wake-up call that North Dakota needs to take measures to prevent a similar occurrence, we're not sure what it will take.

WDEA applauds the initiative of Senator Wardner for introducing this important legislation, and urges the committee to support the passage of SB 2313.

Thank you for the opportunity to submit testimony.

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